PRESS RELEASE

Paris, July 27, 2012

Imerys announces improved results for 1st half 2012 in a more difficult environment

- **Revenue up + 10%**
- **Firm operating margin: 13.4%**
- **Growth in net income from current operations up + 5.5% to €165.6 M**
- **Strong current free operating cash flow generation after increase in development capital expenditure**

On Thursday, July 26, 2012, the Board of Directors of Imerys examined the Group's financial statements for the first half of the year to June 30, 2012.

CONSOLIDATED RESULTS (€ millions)	**1st half 2012**	**1st half 2011**	**% current change**
Revenue	1 986.2	1 807.3	**+ 9.9%**
Current operating income(1)	266.2	252.9	**+ 5.3%**
Operating margin	*13.4%*	*14.0%*	*- 0.6 point*
Net income from current operations, Group's share(2)	165.6	157.0	**+ 5.5%**
Net income, Group's share	161.9	154.9	**+ 4.6%**
FINANCING			
Paid capital expenditure	116.1	99.2	**+ 17.0%**
Current free operating cash flow(3)	128.7	112.6	**+ 14.3%**
Net financial debt	1 039.8(5)	873.8	**+ 19.0%**
DATA PER SHARE			
Net income from current operations, Group's share, per share(2)(4)	€2.20	€2.08	**+ 5.9%**

(1) Operating income, before other operating revenue and expenses, but including share of joint ventures and associates
(2) Group share of net income, before other operating revenue and expenses, net.
(3) Current free operating cash flow: EBITDA minus notional tax, change in working capital requirements and paid capital expenditure.
(4) The weighted average number of outstanding shares decreased to 75,127,597, compared with 75,375,300 in the 1st half of 2011.
(5) Net financial debt as of June 30, 2012 following Luzenac Group acquisition completed in second half 2011.

Gilles Michel commented, "*In the first half of 2012, Imerys posted sound results in a more difficult environment, thanks to the quality of its business model and the effectiveness of the targeted cost and cash management measures implemented from autumn 2011. The Group, which now benefits from a more favorable exposure to growing countries and markets, is leveraging its internal and external development strategy, with, in particular, a good contribution from the Talc activity in the 1st half. Thanks to those strengths and its sound financial structure, Imerys is confident in its ability to maintain, for full year 2012, a level of net income from current operations at least comparable to the previous year, if economic and financial conditions do not deteriorate further.*"

ECONOMIC ENVIRONMENT

After two years of economic upturn, the deterioration in the environment led to wide disparities by geography and sector from the second half of 2011, a trend that has been confirmed since then. In Europe, there is a definite slowdown in demand in construction and industrial production, with Northern European countries less affected overall; in North America, the improvement in the economy was particularly reflected in a rise in durable consumption (construction, automotive sectors, etc.); in main emerging countries, the growth outlook now appears more limited.

Over the first half, the euro continued to depreciate, while inflation in factor costs (raw materials, energy) was more moderate than in the same period the previous year.

FURTHER DEVELOPMENTS

Imerys continued to implement its internal and external development strategy in order to increase its growth potential.

Production capacity at the Willebroek carbon plant (Belgium, Graphite & Carbon activity) was increased to serve the dynamic Lithium-ion battery market.

In Brazil, the Group strengthened its Performance Minerals offering with the acquisition of Itatex, a company that designs and markets kaolin and clay-based specialties for paint, polymers and rubber. In addition, Imerys also decided to value its Brazilian reserves of calcium carbonates by launching the construction of a lime processing plant. The Group will therefore expand its offering to iron and steel, paper, chemistry, environment, agriculture and construction sectors, in line with the sharp growth in local demand.

In the Middle-East, the project for the building of a fused alumina plant was launched in Bahrain following the incorporation of the joint-venture. This production unit, which should be in operation by the end of 2013, will be the Group's first industrial facility in the region.

APPOINTMENTS

Olivier Hautin, previously in charge of the Pigments for Paper & Packaging business group, was tasked with managing the Minerals for Ceramics, Refractories, Abrasives & Foundry business group, which Gilles Michel had been running since July 1, 2011. The results of the Pigments for Paper & Packaging business group are now the responsibility of Dan Moncino, who continues to run the Performance & Filtration Minerals business group. This change will enable the two business groups to pool some common assets, resources and skills, in particular.

Imerys' operating organization and reporting in four business groups are unchanged, as is the composition of the Executive Committee.

EVENTS SINCE JUNE 30, 2012

The half-year consolidated financial statements as of June 30, 2012 were closed by the Board of Directors at its meeting on July 26, 2012. No significant event is to be reported between the closing date and that of the Board of Directors.

OUTLOOK

The trends observed in the 1st half of 2012 are likely to continue in the coming months with a macroeconomic and financial environment still marked by high disparities by both geography and sector:

- Activity should remain weak in the French single-family housing construction sector, with new housing sales in a slump for more than a year;
- Steel production decrease in Europe is likely to continue in the coming months;
- Given the rationalization of papermaking capacities in the United States and Europe, which began mid-2011, production is likely to stabilize at its current level in mature countries;
- In the United States, the positive momentum should continue, particularly in the construction and automotive sectors;
- Growth is likely to continue, at a more moderate pace, in emerging countries.

In the second half, the new proppant unit, which is now in operation, will contribute fully to the Group's performance. Imerys will also benefit from a gradually more favorable basis of comparison and the quality of its business model: greater resilience thanks to the diversity of its business portfolio, wider geographic presence, effectiveness of measures set up from autumn 2011 (targeted capital expenditure, management of costs and working capital requirements, soundness of its financial structure).

In this context, Imerys is confident in its ability to maintain, for full year 2012, a level of net income from current operations at least comparable to the previous year. The Group will keep up its development capital expenditure and research projects in order to support its future organic growth.

DETAILED COMMENTARY ON THE GROUP'S RESULTS

REVENUE

	Revenue 2012 (€ millions)	Revenue 2011 (€ millions)	Change in revenue (% previous year)	Comparable change[1] (% previous year)	of which Volume effect	of which Price/Mix effect
1st quarter[2]	974.4	882.7	+ 10.4%	+ 0.2% *(Q1 2011: + 13.7%)*	- 4.0% *(Q1 2011: + 10.2%)*	+ 4.2%
2nd quarter[2]	1,011.8	924.7	+ 9.4%	- 3.1% *(Q2 2011: + 10.8%)*	- 6.3% *(Q2 2011: + 5.2%)*	+ 3.2%
1st half	**1,986.2**	**1,807.3**	**+ 9.9%**	**- 1.5%** *(H1 2011: + 12.2%)*	**- 5.2%** *(H1 2011: + 7.5%)*	**+ 3.7%**

- **Firm revenue despite a high basis of comparison**
- **Favorable effect of changes in structure and exchange rates**

Revenue for the 1st half of 2012 totaled €1,986.2 million, taking into account:

- A Group structure effect of + €156.8 million (divided equally between 1st and 2nd quarters 2012), mainly related to the acquisition of the Luzenac Group, completed on August 1, 2011;
- Favorable impact of exchange rates for + €48.6 million (+ €10.8 million in 1st quarter; + €37.8 million in 2nd quarter). This particularly reflects the euro's depreciation against other currencies, in particular the US dollar.

Compared with the 1st half of 2011, the - 1.5% decrease at comparable Group structure and exchange rates takes into account a historically high basis of comparison. Last year, the Group's first half sales were up + 12.2% compared with 1st half 2010, thanks to a sharp upturn in business and favorable weather conditions.

In this context, sales decreased - 5.2% in the first half compared with the same period in 2011 (- €93.5 million). The basis of comparison was particularly unfavorable in the second quarter for the Minerals for Ceramics, Refractories, Abrasives & Foundry business group. The expected downturn on the French new housing market is now reflected in the Building Materials activity's sales volumes, which were also affected by poor weather conditions in 2012. The product price/mix improved + 3.7% (+ €67.0 million), reflecting the efforts made on this point in every business group.

Revenue in the second quarter of 2012 at comparable structure and exchange rates (€896 million) is slightly above revenue for the previous quarter (€885 million).

Revenue by sales destination

(€ millions)	Revenue H1 2012	% change H1 2012 vs. H1 2011	% of consolidated revenue H1 2012	% of consolidated revenue H1 2011
Western Europe	930.0	+ 7.0%	47%	48%
Of which France	*321.5*	*- 1.0 %*	*16%*	*22%*
United States / Canada	421.7	+ 22.1%	21%	19%
Emerging countries	529.7	+ 6.4%	27%	28%
Other (Japan / Australia)	104.8	+ 10.5%	5%	5%
Total	**1,986.2**	**+ 9.9%**	**100%**	**100%**

(1) At comparable Group structure and exchange rates.
(2) Non-audited quarterly data.

In the 1st half of 2012, the change in sales by geographic destination results from two main factors: a significant Group structure effect relating to the acquisition of the Luzenac Group (mainly present in Europe and North America) on one hand, and the depreciation of the euro, which was particularly significant in the second quarter, on the other hand. Excluding Group structure effect, sales in Western Europe decreased, while they picked up in North America and in emerging countries.
Revenue in Western Europe represents 47% of consolidated revenue, with a large majority in Northern countries, and an exposure to Southern European countries (Portugal, Italy, Greece, and Spain) below 7%.

CURRENT OPERATING INCOME[3][4]

(€ millions)	H1 2012	H1 2011	% Change	% Comparable change[5]
1st quarter	126.8	116.4	+ 8.9%	- 0.7%
Operating margin	*13.0%*	*13.2%*		
2nd quarter	139.5	136.4	+ 2.2%	- 11.2%
Operating margin	*13.8%*	*14.8%*		
1st half	**266.2**	**252.9**	**+ 5.3%**	**- 6.4%**
Operating margin	***13.4%***	***14.0%***		

- **Product price/mix covering rise in variable costs**
- **Firm operating margin at 13.4%**

At €266.2 million, **current operating income** takes the following items into account:

- a + €21.0 million structure effect (+ 8.3%, of which €8.0 million in the 1st quarter and €13.0 million in the 2nd quarter), made up of the positive contribution of the Luzenac Group;
- a + €8.4 million foreign exchange effect (+ 3.3%, of which €3.2 million in the 1st quarter and €5.2 million in the 2nd quarter).

At comparable structure and exchange rates, the decrease in current operating income was limited to - 6.4% against a high basis of comparison in the 1st half of 2011 (current operating income had increased + 20.8% vs. 1st half 2010).

The + €63.0 million improvement in product price and mix offsets the rise in variable costs (- €40.8 million vs. the same period the previous year), mainly due to inflation in some raw materials, energy factors (except gas in the USA) and freight. The impact of lower sales volumes totals - €44.0 million compared with the 1st half of 2011. While continuing its development program, Imerys kept its fixed costs at the same level as the 1st half of 2011.

Consequently, the Group's **operating margin** was 13.4%, despite the significant decrease in volumes, particularly in the Building Materials activity.

NET INCOME FROM CURRENT OPERATIONS[6]

Net income from current operations rose + 5.5% to €165.6 million (compared with €157.0 million in 1st half 2011). This increase reflects the rise in current operating income and factors in the following items:

- financial expense for - €34.0 million (compared with - €30.3 million in 1st half 2011) which includes in particular:
  - interest expense, which was stable compared with the same period in 2011 (- €29.2 million in the 1st half of 2012 compared with - €28.9 million in 1st half 2011);
  - the net impact of exchange rates, other financial income and expenses and financial instruments which amounted to a - €3.8 million expense (- €0.4 million in 1st half 2011).
- a - €65.1 million current tax charge (- €63.9 million in 1st half 2011), i.e. an effective tax rate of 28.0% (28.7% in 1st half 2011).

(3) Operating income before other operating revenue and expenses.
(4) Non-audited quarterly data.
(5) At comparable Group structure and exchange rates.
(6) Net income, Group share, before other operating revenue and expenses, net.

NET INCOME

The + €7.0 million increase in the Group's share of net income to €161.9 million takes into account **other operating revenue and expense, net of tax** (- €3.7 million).

CASH FLOW

(€ millions)	H1 2012	2011	H1 2011
EBITDA	**353.2**	**686.0**	**352.0**
Change in operating working capital	(36.5)	(59.4)	(69.9)
Paid capital expenditure	(116.1)	(227.4)	(99.2)
Current free operating cash flow*	**128.7**	**264.9**	**112.6**
Financial cash flow (net of tax)	(23.0)	(37.3)	(20.8)
Other working capital requirements items	26.2	(1.0)	(5.2)
Current free cash flow	**131.9**	**226.6**	**86.6**
* including subsidies, value of divested assets and miscellaneous	2.7	5.3	2.3

- **Targeted increase in development capital expenditure**
- **High generation of current free operating cash flow**

At 22.5% of annualized sales in the last quarter(7), **operating working capital requirement** is under control.

The increase in **booked capital expenditure,** which amounts to €97.8 million in the 1st half 2012 (i.e. 89% of depreciation expense vs. 83% in 1st half 2011), reflects the Group's continuation of its development projects. Details of the main projects are given under each business group.

Thanks to the improvement in income, good control of working capital and targeted capital expenditure, Imerys generated a **current free operating cash flow** of €128.7 million in the 1st half of 2012, up + €16 million compared to 1st half 2011.

(7) This ratio takes into account the Factoring contract signed on July 23, 2009 under which transferred receivables are deconsolidated, with the risks and benefits related to receivables transferred to the factor bank. €75 million in receivables were factored as of June 30, 2012.

SOUND FINANCIAL STRUCTURE

(€ millions)	June 30, 2012	December 31, 2011	June 30, 2011
Paid dividends	(113.3)	(91.4)	(91.1)
Net debt	1,039.8	1,031.1	873.8
Shareholders' equity	2,236.5	2,210.9	2,118.6
EBITDA	353.2	686.0	352.0
Net debt / Shareholders' equity	46.5%	46.6%	41.2%
Net debt /EBITDA(8)	1.5x	1.5x	1.3x

- **+ 24% rise in paid dividends in 2012**
- **Stable net financial debt and financial ratios in the 1st half**

The Group's consolidated **net financial debt** and financial ratios are stable compared with December 31, 2011. High generation of current free cash flow enabled it to fund the payout of €112.7 million in dividends on May 9, 2012, in addition to €0.6 million in dividends paid to minority shareholders of subsidiaries.

To increase and diversify its **financial resources** while extending their average maturity, in the second-half of 2011, the Group secured more approximately one billion euros in bilaterals through to 2015-2016. As of June 30, 2012, Imerys' total financial resources totaled €2.8 billion (of which €1.4 billion in non-cash available financial resources), with average maturity 3.3 years. The Group has therefore a sound financial structure and a greater financial flexibility.

(8) EBITDA for past 12 rolling months.

COMMENTARY BY BUSINESS GROUP

Minerals for Ceramics, Refractories, Abrasives & Foundry
(30% of consolidated revenue)

(€ millions) *Non-audited quarterly data.*	2012	2011	Current change	Comparable change(9)
1st quarter revenue	297.8	284.9	+ 4.5%	+ 0.9%
2nd quarter revenue	323.2	316.1	+ 2.3%	- 6.2%
1st half revenue	**621.1**	**601.1**	**+ 3.3%**	**- 2.8%**
Current operating income(10)	81.6	86.2	- 5.4%	- 11.4%
Operating margin	*13.1%*	*14.3%*		
Booked capital expenditure	40.6	32.9	+ 23.4%	
% of depreciation expense	*135%*	*110%*		

In the 1st half 2012, demand from refractory industries dropped in Western Europe, following the decrease in steel production (- 4.6% compared with 1st half 2011 – source World Steel Association). This trend is translated in Minerals for Refractories activity and, in a lesser extent, into some Fused Minerals and Graphite & Carbon businesses. This slump has been partially compensated by the dynamism of domestic demand in North America (+ 7.6% increase in steel production). Activity in Graphite & Carbon segment was firm, particularly due to the growth of Lithium-ion batteries.

Conventional markets for Ceramics (sanitaryware, tiles) were also supported by strong demand in the United States, whereas activity remained weak in Southern Europe. Technical ceramics (specialty products for the automotive sector, etc.) continued to grow, while demand for high purity quartz was still slack along the first-half of 2012.

The business group continued to implement its internal development policy through new capital projects. Capacity doubling project at the carbon plant in Willebroek (Belgium) has been launched to support growing demand for Lithium-ion batteries. The project should come on stream by the end of 2013.

Geographic expansion continues with the launch of an industrial construction project in Bahrain for a fused alumina plant within the context of a joint venture. This unit should be in operation in late 2013. Fused alumina serves a wide range of applications: abrasives, refractories, sandblasting operations, thermal linings and various niche markets.

In the 1st half, the ceramic proppant plant built in Georgia (USA) in 2011 came on stream as planned and should progressively ramp up during the second half. Proppants are used to keep rock fractures open in non-conventional oil and gas field operation, which have substantial growth prospects in the United States.

The business group's **revenue** totaled €621.1 million for the 1st half of 2012, up + €20.0 million compared with the 1st half of 2011. An analysis of the variance shows:

- Foreign exchange effect of + €31.4 million (+€24.5 million for 2nd quarter 2012);
- Group structure effect of + €5.7 million (+€2.3 million for 2nd quarter 2012): the Luzenac Group's activities serving the business group's markets were, as announced, included in the business group's sales as of January 1, 2012.

At comparable Group structure and exchange rates, revenue decreased - 2.8% compared to the 1st half 2011, which benefited from an upturn in activity (+ 18.1% rise of business group's revenue at comparable Group structure and exchange rates effect between 1rst half 2010 and 1st half 2011). The positive trend in product prices and mix partly offset the decrease in volumes, in particular in Minerals for Refractories and Fused Minerals. The other activities held better.

(9) At comparable structure and exchange rates.
(10) Operating income before other operating revenue and expenses.

Current operating income totaled €81.6 million. It factors in a +€4.5 million exchange rate effect and a +€0.6 million structure effect.

At comparable structure and exchange rates, the decrease in income reflects lower sales volumes, which were partly offset by a slight reduction in fixed costs. The improvement in the product price/mix component was greater than inflation in variable costs (in particular for zircon purchases: despite stabilization in 2012, zircon price was still higher compared to 1st half 2011). The ramp up of proppants unit during the 1st half 2012 weighed on the business group profitability.

Performance & Filtration Minerals
(23% of consolidated revenue)

(€ millions) *Non-audited quarterly data.*	**2012**	**2011**	**Current change**	**Comparable change(11)**
1st quarter revenue	221.7	148.6	+ 49.2%	+ 5.7%
2nd quarter revenue	233.3	154.2	+ 51.3%	+ 3.5%
1st half revenue	**455.0**	**302.8**	**+ 50.3%**	**+ 4.6%**
Current operating income(12)	60.8	39.1	+ 55.5%	+ 2.8%
Operating margin	*13.4%*	*12.9%*		
Booked capital expenditure	14.6	14.9	- 2.0%	
% of depreciation expense	*53%*	*75%*		

In the 1st half of 2012, trends varied widely on the markets served by the Performance & Filtration business group. Demand grew slightly in fast-moving consumer sectors (food, health, beauty, pharmaceuticals, etc.). In intermediate industries (polymers, rubber, filtration, catalysis, coatings, etc.), the momentum was positive overall in emerging countries. In North America, the continued economic upturn favored the automotive and construction sectors. New housing starts rose sharply (annualized trend in 2nd quarter 2012: + 28% - source: Census Bureau) and renovation spending increased. In Northern Europe, activity was firm in the construction sector; automotive production held out well in Germany and grew significantly in Great Britain. Business remained slack in Southern Europe.

In that context, the business group continued its geographic expansion with the **acquisition** in Brazil of Itatex, a family firm specialized in processing and marketing industrial minerals (particularly kaolin). Itatex posted a 24 million Brazilian real in revenue for 2011 (€10 million) and employs 115 people in a production site in Campinas (Sao Paulo state). Through this acquisition, the Group is stepping up its presence in Brazil and developing its range for the paint, polymer and rubber sectors, for which local demand is growing sharply.

In 2012, **capital expenditure** for internal growth was allocated to the creation of a complete production line for Celite Cynergy™, which the market launch confirmed its great potential for brewers customers. This registered product is an innovative agent, which enables edible liquids such as beer to be filtered and stabilized in one production step. The new capacity, built on Lompoc site (California, United States), should be operational at the end of 2012.

In Malaysia, the business group launched a new production unit for Filmlink™, a registered specialty made of calcium carbonate, and which brings an improved strength and a controlled porosity to polymer films. Those properties are particularly useful in hygiene products for babies. Built on the Ipoh site, this production line will ramp up in the 3rd quarter to serve the dynamic Asian market.

The Talc activity is now integrated and has confirmed its growth and innovation potential on diverse markets (plastics & polymers, paint, paper, technical ceramics, personal care & beauty). As announced, sales have been assigned to each of the relevant business groups in 2012.

(11) At comparable structure and exchange rates.
(12) Operating income before other operating revenue and expenses.

Revenue totaled €455.0 million in the 1st half of 2012. The + €152.2 million increase takes into account:

- A + €122.1 million Group structure effect (equally divided between the first and second quarters), primarily composed of the acquisition of the Luzenac Group; Itatex is consolidated as of June 1, 2012 (+ €0.8 million);
- A favorable foreign exchange rate impact of + €16.2 million (of which €12.3 million in the 2nd quarter).

At comparable Group structure and exchange rates, the increase in revenue (+ €13.9 million) reflects growth in volumes, driven by demand in North America, and the significant rise in the product price/mix component.

Current operating income, at €60.8 million, increased by + €21.7 million. It includes a positive Group structure effect of + €17.8 million and a favorable foreign exchange effect of + €2.6 million. At comparable structure and exchange rates the rise was + 2.8%, with the price/mix component easily offsetting higher costs.

Pigments for Paper & Packaging
(21% of consolidated revenue)

(€ millions) *Non-audited quarterly data.*	**2012**	**2011**	**Current change**	**Comparable change(13)**
1st quarter revenue	213.2	203.5	+ 4.8%	- 3.8%
2nd quarter revenue	216.3	202.1	+ 7.0%	- 2.4%
1st half revenue	**429.5**	**405.6**	**+ 5.9%**	**- 3.1%**
Current operating income(14)	42.5	41.0	+ 3.6%	- 5.9%
Operating margin	*9.9%*	*10.1%*		
Booked capital expenditure	32.1	29.3	+ 9.6%	
% of depreciation expense	*90%*	*84%*		

Over the first six months of 2012, global production of printing and writing paper was stable (- 0.7% compared with the 1st half of 2011). The soundness of emerging countries (+ 4.3%) offsets the downturn observed in mature regions where shut-downs of paper-making capacities were carried out to adapt production levels to demand. In North America and to a lesser extent in Europe, these rationalizations, which suggest demand will stabilize at its current level, significantly affected output over the past 12 months. In packaging segments, the trend remained more favorable.

In addition to mine overburden and maintenance operations, **capital expenditure** particularly concerned the project to build a lime processing unit in Brazil. Produced from calcium carbonate reserves operated by the Group in the country (Desoropolis, Minas Geiras), lime is a mineral that is used in various forms in the steel, paper, chemistry, environment, agriculture and construction industries.

In that context, **revenue**, at €429.5 million in the 1st half of 2012, rose + €23.9 million compared with the 1st half of 2011. This change takes into account:

- A structure effect of + €28.6 million, corresponding to the acquisition of the Luzenac Group. As announced, sales of talc for paper markets were included in the business group's revenue as of January 1, 2012;
- Foreign exchange impact for + €8.0 million (+ €5.1 million in the 2nd quarter).

At comparable Group structure and exchange rates, revenue decreased - 3.1% compared with 1st half 2011. The improvement in product prices and mix did not offset the decrease in volumes.

(13) At comparable structure and exchange rates.
(14) Operating income before other operating revenue and expenses.

Current operating income totaled €42.5 million in the 1st half of 2012 (+ €1.5 million compared with 1st half 2011) and takes into account a favorable foreign exchange effect of + €1.5 million. At comparable Group structure and exchange rates, the business group's income decrease (- 5.9%) reflects the slow-down in volumes.

Materials and Monolithics
(26% of consolidated revenue)

(€ millions) *Non-audited quarterly data.*	**2012**	**2011**	**Current change**	**Comparable change(15)**
1st quarter revenue	255.9	258.0	- 0.8%	- 0.5%
2nd quarter revenue	253.2	267.2	- 5.3%	- 5.4%
1st half revenue	**509.1**	**525.2**	**- 3.1%**	**- 3.0%**
Current operating income(16)	105.1	112.6	- 6.6%	- 6.7%
Operating margin	*20.7%*	*21.4%*		
Booked capital expenditure	5.8	7.0	- 17.2%	
% of depreciation expense	*37%*	*42%*		

The Refractory Solutions activity (57% of the Materials & Monolithics business group's total sales) held out well in the 1st half of 2012 despite the slump in steelmaking in Europe. It benefited from the good performance of Asian markets and the robustness of other segments (foundry, petrochemicals, power generation, etc.) as well as project activity (revamping, capacity extensions or construction of new plants).

In the single-family housing construction and renovation sector in France, the slump in new house sales observed for almost a year gradually led to a decrease in building permits. It has now passed through to construction starts, which fell - 8% over 12 rolling months.

In that context, six-monthly sales of clay products for the trade as a whole (17) decreased - 13% for bricks and - 10% for roof tiles compared with the 1st half of 2011, which was a very high basis of comparison (catch-up effect). The renovation segment held well. It should be remembered that the entire trade was affected by adverse weather conditions in the 1st quarter of 2012.

In the 1st half of 2012, the business group's **capital expenditure** was limited to the maintenance of industrial assets.

At €509.1 million, the business group's **revenue** (- €16.1 million compared with 1st half 2011) includes the limited, negative effect of exchange rates (- €0.4 million). At comparable structure and exchange rates, revenue decreased - 3.0%, reflecting the downturn in Building Materials. Monolithic Refractories activity improved.

The Materials & Monolithics business group's **current operating income** was €105.1 million. Structure and exchange rates had negligible effect. The product price/mix effect covered the rise in variable costs (energy and some refractory materials) and the setup of cost control measures allowed the business group to maintain an operating margin above 20%.

(15) At comparable structure and exchange rates.
(16) Operating income before other operating revenue and expenses.
(17) Source: Fédération Française des Tuiles et Briques – Provisional data

AVAILABILITY OF INFORMATION

The press release is available from the Group's website www.imerys.com with access via the homepage in the "News" section.

Imerys is holding today, at 2:00pm (Paris time), a conference call during which the 1st half 2012 results will be commented on. The meeting will be webcast live on the Group's website www.imerys.com.

FINANCIAL COMMUNICATION AGENDA 2012

November 5	3rd quarter results 2012

This date is given for guidance only and may be updated on the Group's website at www.imerys.com in the Finance / Financial Agenda section.

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***The world leader in mineral-based specialty solutions for industry,** Imerys transforms a unique range of minerals to deliver essential functions (heat resistance, mechanical strength, conductivity, coverage, barrier effect, etc.) that are essential to its customers' products and manufacturing processes. Whether mineral components, functional additives, process enablers or finished products, Imerys' solutions contribute to the quality of a great number of applications in consumer goods, industrial equipment or construction. Combining expertise, creativity and attentiveness to customers' needs, the Group's international teams constantly identify new applications and develop high value-added solutions under a determined approach to responsible development. These strengths enable Imerys to develop through a sound, profitable business model.*

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More comprehensive information about Imerys may be obtained from its Internet website (www.imerys.com) under Regulated Information, particularly in its Registration Document filed with Autorité des marchés financiers on March 22, 2012 under number D.12-0193 (also available from the Autorité des marchés financiers website, www.amf-france.org). Imerys draws the attention of investors to chapter 4, "Risk Factors", of its Registration Document.

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***Warning on projections and forward-looking statements:** This document contains projections and other forward-looking statements. Investors are cautioned that such projections and forward-looking statements are subject to various risks and uncertainties (many of which are difficult to predict and generally beyond the control of Imerys) that could cause actual results and developments to differ materially from those expressed or implied.*

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Appendix

1. Consolidated sales breakdown

Change in consolidated sales	% current change	% Group structure effect	% Exchange rate effect	% comparable change[1]
IMERYS GROUP	**+ 9.9%**	+ 8.7%	+ 2.7%	**- 1.5%**

Quarterly change at comparable Group structure and exchange rates 2012 vs. 2011	Q1 2012	Q2 2012		
	+ 0.2%	- 3.1%		
2011 vs. 2010 (reminder)	**Q1 2011**	**Q2 2011**	**Q3 2011**	**Q4 2011**
	+ 13.7%	+ 10.8%	+ 3.8%	+ 4.7%

(non-audited, € millions)	1st quarter 2012	1st quarter 2011	Current change %	Group structure effect %	Exchange rate effect %	Comparable change[1] %
Sales, of which:	**974.4**	**882.7**	**+ 10.4%**	**+ 9.0%**	**+ 1.2%**	**+ 0.2%**
Minerals for Ceramics, Refractories, Abrasives & Foundry	297.8	284.9	+ 4.5%	+ 1.2%	+ 2.4%	+ 0.9%
Performance & Filtration Minerals	221.7	148.6	+ 49.2%	+ 40.9%	+ 2.6%	+ 5.7%
Pigments for Paper & Packaging	213.2	203.5	+ 4.8%	+ 7.2%	+ 1.4%	- 3.8%
Materials & Monolithics	255.9	258.0	- 0.8%	+ 0.0%	- 0.3%	- 0.5%
Holding company & eliminations	(14.3)	(12.3)	n.s.	n.s.	n.s.	n.s.

(non-audited, € millions)	2nd quarter 2012	2nd quarter 2011	Current change %	Group structure effect %	Exchange rate effect %	Comparable change[1] %
Sales, of which:	**1,011.8**	**924.7**	**+ 9.4%**	**+ 8.4%**	**+ 4.1 %**	**- 3.1%**
Minerals for Ceramics, Refractories, Abrasives & Foundry	323.3	316.1	+ 2.3%	+ 0.7%	+ 7.8%	- 6.2%
Performance & Filtration Minerals	233.3	154.2	+ 51.3%	+ 39.8%	+ 8.0%	+ 3.5%
Pigments for Paper & Packaging	216.3	202.1	+ 7.0%	+ 6.9%	+ 2.5%	- 2.4%
Materials & Monolithics	253.2	267.2	- 5.3%	+ 0.0%	+ 0.1%	- 5.4%
Holding company & eliminations	(14.3)	(14.9)	n.s.	n.s.	n.s.	n.s.

(1) Change at comparable Group structure and exchange rates

(non-audited, € millions)	1st half 2012	1st half 2011	Current change %	Group structure effect %	Exchange rate effect %	Comparable change(1) %
Sales, of which:	**1,986.2**	**1,807.3**	**+ 9.9%**	**+ 8.7%**	**+ 2.7%**	**- 1.5%**
Minerals for Ceramics, Refractories, Abrasives & Foundry	621.1	601.1	+ 3.3%	+ 0.9%	+ 5.2%	- 2.8%
Performance & Filtration Minerals	455.0	302.8	+ 50.3%	+ 40.3%	+ 5.4%	+ 4.6%
Pigments for Paper & Packaging	429.5	405.6	+ 5.9%	+ 7.1%	+ 2.0%	- 3.1%
Materials & Monolithics	509.1	525.2	- 3.1%	+ 0.0%	- 0.1%	- 3.0%
Holding company & eliminations	(28.5)	(27.4)	n.s.	n.s.	n.s.	n.s.

Sales by business group	**H1 2012**	**H1 2011**
Minerals for Ceramics, Refractories, Abrasives & Foundry	30%	32%
Performance & Filtration Minerals	23%	17%
Pigments for Paper & Packaging	21%	22%
Materials & Monolithics	26%	29%
TOTAL	**100%**	**100 %**

(1) Change at comparable Group structure and exchange rates

2. Key figures

(non-audited, € millions)	Q1 2012	Q1 2011	Change
SALES	**974.4**	**882.7**	**+ 10.4%**
CURRENT OPERATING INCOME(*)(1)	**126.8**	**116.4**	**+ 8.9%**
Current financial income	(16.5)	(14.9)	
Current taxes	(30.8)	(29.1)	
Minority interests	(0.7)	(0.8)	
NET INCOME FROM CURRENT OPERATIONS(1)(2)	**78.8**	**71.7**	**+ 9.8%**
Other operating revenue and expenses, net	(2.8)	(0.7)	
NET INCOME(2)	**76.0**	**71.0**	**+ 7.0%**
(*) of which share in income of affiliates	1.4	0.8	

(non-audited, € millions)	Q2 2012	Q2 2011	Change
SALES	**1,011.8**	**924.7**	**+ 9.4%**
CURRENT OPERATING INCOME(**)(1)	**139.5**	**136.4**	**+ 2.2%**
Current financial income	(17.6)	(15.5)	
Current taxes	(34.3)	(34.8)	
Minority interests	(0.8)	(0.8)	
NET INCOME FROM CURRENT OPERATIONS(1)(2)	**86.8**	**85.3**	**+ 1.9%**
Other operating revenue and expenses, net	(0.9)	(1.4)	
NET INCOME(2)	**85.9**	**83.8**	**+ 2.5%**
(**) of which share in income of affiliates	1.7	2.9	

(€ millions)	H1 2012	H1 2011	Change
SALES	**1,986.2**	**1,807.3**	**+ 9.9%**
CURRENT OPERATING INCOME(***)(1)	**266.2**	**252.9**	**+ 5.3%**
Current financial income	(34.0)	(30.3)	
Current taxes	(65.1)	(63.9)	
Minority interests	(1.5)	(1.7)	
NET INCOME FROM CURRENT OPERATIONS(1)(2)	**165.6**	**157.0**	**+ 5.5%**
Other operating revenue and expenses, net	(3.7)	(2.1)	
NET INCOME(2)	**161.9**	**154.9**	**+ 4.6%**
(***) of which share in income of affiliates	3.1	3.7	

(1) Before other operating income and charges
(2) Group share

CONSOLIDATED INCOME STATEMENT

(€ millions)	Notes	06.30.2012	06.30.2011	2011
Revenue	4	**1,986.2**	**1,807.3**	**3,674.8**
Current revenue and expenses		**(1,720.0)**	**(1,554.4)**	**(3,187.8)**
Raw materials and consumables used	5	(697.6)	(642.2)	(1,294.5)
External expenses	6	(513.8)	(451.5)	(940.9)
Staff expenses	7	(391.9)	(334.1)	(695.1)
Taxes and duties		(26.5)	(23.1)	(45.1)
Amortization, depreciation and impairment losses		(109.6)	(102.1)	(210.9)
Other current revenue and expenses		16.3	(5.1)	(11.6)
Share in net income of joint ventures and associates		3.1	3.7	10.3
Current operating income		**266.2**	**252.9**	**487.0**
Other operating revenue and expenses	8	**(11.9)**	**(2.1)**	**(23.1)**
Gain or loss from obtaining or losing control		(3.4)	5.8	7.8
Other non-recurring items		(8.5)	(7.9)	(30.9)
Operating income		**254.3**	**250.8**	**463.9**
Net financial debt expense		**(29.2)**	**(28.9)**	**(56.1)**
Income from securities		1.4	1.2	3.0
Gross financial debt expense		(30.6)	(30.1)	(59.1)
Other financial revenue and expenses		**(4.8)**	**(1.4)**	**(1.1)**
Other financial revenue		70.6	98.5	178.7
Other financial expenses		(75.4)	(99.9)	(179.8)
Financial income (loss)	10	**(34.0)**	**(30.3)**	**(57.2)**
Income taxes	11	(56.9)	(63.9)	(121.2)
Net income		**163.4**	**156.6**	**285.5**
Net income, Group share (1) & (2)	12	161.9	154.9	282.0
Net income, share of non-controlling interests		1.5	1.7	3.5

(1) Net income per share				
Basic net income per share (in €)	*13*	*2.16*	*2.05*	*3.75*
Diluted net income per share (in €)	*13*	*2.13*	*2.03*	*3.71*
(2) Net income from current operations, Group share	*12*	*165.6*	*157.0*	*303.1*
Basic net income from current operations per share (in €)	*13*	*2.20*	*2.08*	*4.03*
Diluted net income from current operations per share (in €)	*13*	*2.18*	*2.06*	*3.99*
Other net operating revenue and expenses, Group share	*8*	*(3.7)*	*(2.1)*	*(21.1)*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€ millions)	Notes	06.30.2012	06.30.2011	2011
Non-current assets		**3,262.8**	**2,815.6**	**3,210.0**
Goodwill	14	1,039.2	916.6	1,019.7
Intangible assets	15	42.9	33.6	37.7
Mining assets	16	504.3	435.3	502.9
Property, plant and equipment	16	1,384.4	1,204.0	1,384.1
Joint ventures and associates		84.1	75.0	82.4
Available-for-sale financial assets	19	4.8	4.7	4.8
Other financial assets	19	21.8	19.1	18.5
Other receivables	19	77.7	49.6	74.6
Derivative financial assets	21.3	14.0	19.8	12.7
Deferred tax assets	22	89.6	57.9	72.6
Current assets		**1,758.5**	**1,732.2**	**1,746.4**
Inventories	18	676.4	556.2	645.9
Trade receivables	19	600.1	503.7	526.9
Other receivables	19	140.3	156.2	141.0
Derivative financial assets	21.3	1.3	12.0	2.0
Marketable securities and other financial assets	19	23.3	7.1	6.4
Cash and cash equivalents	19	317.1	497.0	424.2
Consolidated assets		**5,021.3**	**4,547.8**	**4,956.4**
Equity, Group share		**2,205.3**	**2,092.8**	**2,180.1**
Capital		150.5	151.3	150.3
Premiums		322.0	343.0	319.6
Reserves		1,570.9	1,443.6	1,428.2
Net income, Group share		161.9	154.9	282.0
Equity, share of non-controlling interests		**31.2**	**25.8**	**30.8**
Equity		**2,236.5**	**2,118.6**	**2,210.9**
Non-current liabilities		**1,711.6**	**1,411.3**	**1,641.2**
Provisions for employee benefits		300.6	127.5	231.3
Other provisions	20	266.7	187.1	265.2
Loans and financial debts	21.1	1,032.4	998.3	1,028.4
Other debts	21.1	11.8	8.3	12.2
Derivative financial liabilities	21.3	6.7	10.0	9.1
Deferred tax liabilities	22	93.4	80.1	95.0
Current liabilities		**1,073.2**	**1,017.9**	**1,104.3**
Other provisions	20	20.3	15.3	19.2
Trade payables	21.1	422.9	351.9	360.0
Income taxes payable		24.4	44.7	9.7
Other debts	21.1	240.8	216.6	261.7
Derivative financial liabilities	21.3	9.0	1.9	19.0
Loans and financial debts	21.1	348.2	381.0	422.0
Bank overdrafts	21.1	7.6	6.5	12.7
Consolidated equity and liabilities		**5,021.3**	**4,547.8**	**4,956.4**

CONSOLIDATED STATEMENT OF CASH FLOW

(€ millions)	Notes	06.30.2012	06.30.2011	2011
Cash flow from operating activities		**210.9**	**158.7**	**447.4**
Cash flow generated by current operations	Appendix 1	293.5	268.4	638.7
Interests paid		(49.3)	(42.8)	(49.6)
Income taxes on current operating income and financial income (loss)		(28.9)	(58.2)	(124.9)
Dividends received from available-for-sale financial assets		-	0.1	0.6
Cash flow generated by other operating revenue and expenses	Appendix 2	(4.4)	(8.8)	(17.4)
Cash flow from investing activities		**(125.8)**	**(91.2)**	**(421.7)**
Acquisitions of intangible assets and property, plant and equipment		(116.1)	(99.2)	(227.0)
Acquisitions of investments in consolidated entities after deduction of cash acquired		(13.0)	(22.2)	(239.2)
Acquisitions of available-for-sale financial assets		-	(1.2)	(0.6)
Disposals of intangible assets and property, plant and equipment		7.0	4.1	8.3
Disposals of investments in consolidated entities after deduction of cash disposed of		-	25.5	33.0
Disposals of available-for-sale financial assets		-	0.9	0.9
Net change in financial assets		(4.7)	0.1	0.7
Paid-in interests		1.0	0.8	2.2
Cash flow from financing activities		**(191.1)**	**85.0**	**37.4**
Capital increases		3.5	4.9	5.4
Disposals (acquisitions) of treasury shares		(0.4)	(14.0)	(27.0)
Dividends paid to shareholders		(112.8)	(90.6)	(90.6)
Dividends paid to non-controlling interests		(0.5)	(0.5)	(0.8)
Acquisitions of investments in consolidated entities from non-controlling interests		(4.2)	-	(1.3)
Loan issues		4.0	96.9	117.3
Loan repayments		(77.5)	(14.1)	(2.4)
Net change in other debts		(3.2)	102.4	36.8
Change in cash and cash equivalents		**(106.0)**	**152.5**	**63.1**

(€ millions)	06.30.2012	06.30.2011	2011
Opening cash and cash equivalents	**411.5**	**347.4**	**347.4**
Change in cash and cash equivalents	(106.0)	152.5	63.1
Impact of changes due to exchange rate fluctuations	4.0	(9.4)	1.0
Closing cash and cash equivalents	**309.5**	**490.5**	**411.5**
Cash (1)	237.5	423.0	216.5
Cash equivalents (2)	79.6	74.0	207.7
Bank overdrafts	(7.6)	(6.5)	(12.7)

(1) As of June 30, 2012, cash comprises a balance of €3.6 million not available for Imerys SA and its subsidiaries (€7.2 million as of December 31, 2011), of which €1.1 million with respect to foreign exchange control legislations (€2.3 million as of December 31, 2011) and €2.5 million with respect to statutory requirements (€4.9 million as of December 31, 2011).

(2) Cash equivalents are investments with a maturity below three months, indexed on a monetary market rate and that may be disposed of at any time.